

(c) The recommendations of the Council are advisory and not mandatory.

#### STATEMENT

*Broad decisions arrived at the first meeting of the Consultative Council on Community Development held on July 7, 1969*

The Council reiterated its faith in the Community Development and Panchayati Raj programmes for integrated development of the rural areas and expressed the hope that the Panchayati Raj institutions will be strengthened and vested with greater powers. The Council, in that connection, made particular mention of the role of Community Development in securing social harmony among the several constituents of rural society. The Council recommended that the States should provide adequate resources for the continuance of the C.D. programme and that they should take appropriate steps to achieve effective inter-departmental coordination so as to ensure that various departmental funds for development are routed through the Blocks in adequate measure. The Council also emphasised that for democratic decentralisation to be meaningful, it was necessary for the Panchayati Raj institutions to have commensurate responsibility and financial powers, though flexibility may be allowed to adjust the programme to suit local conditions. In this connection, it was pointed out that the States may also take necessary steps to ensure that the Panchayati Raj bodies at appropriate levels are enabled to build up adequate resources through taxation and other means. The Council urged that further positive steps need to be taken to give due protection to the weaker sections of the village community; greater attention should also be given to rural industrialisation to avoid flight of capital from rural to urban areas particularly in the context of the current agricultural buoyancy.

In view of the fact that the training functions have been decentralised and responsibility thereof now rests, in the main with the State Governments, the Council emphasised, on the one hand, the need for adequate financial provisions in the State Plans and budgets and, on the other, the desirability of ensuring that the training efforts are in harmony with the specific job requirements of the various functionaries taking due note of the local conditions and requirements. The Council drew pointed attention, in this connection, to the need for continuing and strengthening the Training Centres which are now wholly under

the charge of the State Governments. The Council also expressed the view that the Central Government should continue to play an effective role in advising and coordinating the country-wide training effort of Block Extension personnel.

In Order to ensure that the future effort in Applied Nutrition Programme Blocks is continued, after the operational period of five years, the Council recommended that, the first step would be to ensure that the substantive Departments concerned with the various components of production, continue to service these units. It was also urged that the interest of Panchayati Raj institutions and the associate women organisations and youth in the production aspect of the effort, is fostered even after the programme of Applied Nutrition ceases.

12 NOON

#### CALLING ATTENTION TO A MATTER OF URGENT PUBLIC IMPORTANCE

REPORTED DISPUTE OVER THE CENTRAL GOVERNMENT'S PARTICIPATION IN THE EQUITY CAPITAL OF THE FIRM, WESTINGHOUSE, SAXBY AND FARMER LIMITED, CALCUTTA

SHRI NIREN GHOSH (West Bengal) : Madam, with your permission I would call the attention of the Minister of Railways to the reported dispute over the Central Government's participation in the equity capital of the firm, Westinghouse, Saxby and Farmer Limited, Calcutta.

THE MINISTER OF RAILWAYS (DR. RAM SUBHAG SINGH) : Madam, On the 21st April, 1969, Shri Jyoti Basu, Deputy Chief Minister, West Bengal, accompanied by Shri Jyotirmoy Basu, Member of Parliament, and representatives of, M/s. Westinghouse Saxby & Farmer Calcutta, met me to discuss, among other matters, the suggestion that Government of India should take over the firm. I explained to Shri Basu that while the Railways were very much interested in the firm continuing in business, Government of India were not in a position to take over the firm. I also pointed out to him that there was no dearth of orders for railway equipment on the firm and that the Railways were quite willing that this firm should get their due share of orders for equipment, if they quoted competitive prices and produced articles conforming to Railways specifications.

[Dr. Ram Subhag Singh]

At a subsequent meeting held on 15th May, 1969 at Delhi, Shri Jyoti Basu enquired whether the Ministry of Railways would make an advance payment to West Bengal Government against bills due to M/s. Westinghouse Saxby and Farmer. I gave him a written assurance that we would make an advance payment of Rs. 15 lakhs to the State Government adjustable against bills for contract work executed or stores supplied by the firm. I also gave him in writing that according to the workload in the Fourth Five-Year Plan, the firm could hope to successfully compete for orders of the value of Rs. 17 crores during the plan period, provided their rates were competitive and the quality satisfactory. At both these meetings my colleague Shri Parimal Ghosh was present.

We have adhered to the above assurances given to the West Bengal Government. Since then, the firm's outstanding bills have been largely paid and we have agreed not only to enhance the amount of advance to West Bengal Government from Rs. 15 lakhs to Rs. 20 lakhs, but also to make the advance adjustable against future supplies of stores etc. to be made by the firm.

M/s. Westinghouse Brake & Signal Company, U.K., hitherto the sole owners of the firm, have informed Government that West Bengal Government have decided to take over 51 per cent of the shares of the Calcutta firm, the remaining 49 per cent being held by the parent Company. The British firm has also assured Government that it would continue to extend all technical assistance necessary for the successful running of the undertaking.

From the above it will be seen that there has not been any dispute between the Government of West Bengal and the Ministry of Railway. I have in fact, just now received a telex message from Shri Sushil K. Dhara, Minister of Commerce and Industry, Government of West Bengal requesting that immediate sanction be issued for the advance of Rupees twenty lakhs on our terms. I have directed the Railway Ministry to issue the sanction for this advance today.

SHRI NIREN GHOSH : Madam, I think the Minister has thought to bypass the question because the history is known to him. I am afraid there is a section in the Government of India which wants to discriminate against West Bengal in all

possible manner. I am giving a little background, Madam. As compared to the all India average in 1946 the employment potential in West Bengal was 33 per cent and in 1964 it fell down to 15 per cent. Between the period 1959 and 1965 West Bengal was given 723 odd licences and Maharashtra was given 1200 odd. Lastly, the very well-known and renowned India Electrical Company, which was a viable company, was liquidated. It was under the Central Government's management and its liquidation rendered more than 2,000 workers jobless. And when this question came up, the West Bengal Government decided that they should participate in the management because the Westinghouse Company said that we could take over the firm for Re. 1/- . They proposed to the Government that 51 per cent of the shares be distributed between the West Bengal Government and the Central Government and the rest be left with the parent company so that the firm could become viable. It is a sophisticated firm. There might be some bungling, etc. on the part of the firm and on the part of the top managerial personnel. But that is no reason why you should say that there was no dispute. A dispute was there. M/s. Westinghouse said that they had no financial resources. They already had a deficit budget. All the financial resources were in the hands of Central Government. Unless the Central Government came in, it would be very difficult to run the firm. Mr. Parimal Ghosh...

THE DEPUTY CHAIRMAN :  
Please put it in the form of a question.

SHRI NIREN GHOSH :... gave it in writing. I assert it; if not, let him deny it. I would like that letter to be placed on the Table of the House. Thereafter, Dr. Ram Subhag Singh overruled it as a sort of vendetta against him in the Government so that the firm was closed down. Two thousand workers became unemployed and foreign exchange was wasted on the import of sophisticated components. I would also like to know whether, ultimately when it was made known to the Government of West Bengal that the Railway Ministry would not participate it was his decision or it was a departmental decision or whether it was a decision of the Cabinet. That also I would like to know.

DR. RAM SUBHAG SINGH :  
Madam, I repudiate the charge of discrimination. We have every sympathy for

the State of West Bengal and we can never intend to do anything which might reduce the employment potential there. But this case is totally a different one.

**SHRI DAHYA HAI V. PATEL** (Gujarat) : That is the misfortune of the country.

**DR. RAM SUBHAG SINGH** : As I have already stated we had meetings on 21st April and 15th May and everything transpired in writing. I gave Shri Jyoti Basu a written assurance. A copy of the letter is here and it is dated 15th May, that we will advance an amount of Rs. 15 lakhs. We did not say that we would not make any more advances. We said that we were prepared even to consider that. Another thing is on his request we said we are going to place orders also. All these things were discussed, as I said, on 21st April and 15th May, and the Railway Ministry has all along adhered to that. So, there is no question of discrimination. We do want that this company should run. But the honourable Member himself pointed out the difficulties there. Let those difficulties...

**SHRI NIREN GHOSH** : Madam, I want your protection. He has not given me the clarification whether or not Mr. Parimal Ghosh gave it in writing to the Government of West Bengal that the Railway Ministry would participate in the equity capital of the company and whether or not it was overruled by Dr. Ram Subhag Singh, and whether it was a departmental decision or whether it was his own decision or that of the Cabinet. I am asking this because I know that certain persons in the Cabinet were favourably disposed towards the proposal. So, I would like the Minister to tell the House all these things.

**DR. RAM SUBHAG SINGH** : Madam, actually these dates are quite relevant in this case because once as Railway Minister I entered into an agreement with the State of West Bengal through the Deputy Chief Minister of West Bengal, as I said in reply to the first supplementary, I have all along adhered to that. As regards the other question whether it is a departmental decision or a Cabinet decision, the Prime Minister was consulted at every stage and everything was done with her consent and also we had initially a discussion departmentally. There also it was decided not to participate in that concern.

**SHRI NIREN GHOSH** : Madam it is not fair. He has not answered my question.

**श्री राजनारायण (उत्तर प्रदेश) :** मेरा पाइंट आफ ऑर्डर यह है कि सम्मानित सदस्य सीधा-सीधा प्रश्न पूछ रहे हैं कि क्या परिमल घोष साहब ने अपने हाथ से पत्र लिख कर बंगाल की सरकार को आवस्त किया कि केंद्र की सरकार इस अंडरटेकिंग में हिस्सा लेगी। परिमल घोष साहब यहां पर विद्यमान हैं। इसलिए परिमल घोष साहब से पूछा जाना चाहिए कि उन्होंने ऐसा पत्र लिखा या नहीं।

**SHRI NIREN GHOSH** : After that whether he was overruled.

(Interruptions)

**SHRI GODEY MURAHARI** (Uttar Pradesh) : The point is whether after the 15th of May Mr. Parimal Ghosh committed himself to the West Bengal Government and, if he did so, what happened to that commitment.

(Interruptions)

**DR. RAM SUBHAG SINGH** : I have said that we stand by the decision taken on the 15th of May.

**SHRI NIREN GHOSH** : Madam, I wanted to know whether Mr. Parimal Ghosh, as Minister of State for Railways, gave a written undertaking that the Railway Ministry would participate in the equity capital of the company along with the State of West Bengal and after that Mr. Ram Subhag Singh overruled him. He says that he consulted the Prime Minister. May I know whether the Prime Minister consented to his overruling or he did it in his own way and it was not a Cabinet decision but his own decision?

**DR. RAM SUBHAG SINGH** : Everything that transpired on the 21st of April and also on the 15th of May was sent to Prime Minister in the letter form and later on the Chief Minister and the Deputy Chief Minister of West Bengal contacted her—first on 30th of March and then on 3rd of July—and this particular matter was brought to her notice and we communicated our decision, and that was endorsed.

SHRI GODEY MURAHARI: Madam, on a point of order, the question asked is whether Mr. Parimal Ghosh committed himself in writing. He does not answer that question.

(Interruptions)

THE DEPUTY CHAIRMAN: May I know whether there is any direct answer to this direct question? You can say 'yes' or 'no'.

DR. RAM SUBHAG SINGH: As the Minister in charge of that Ministry whatever I did I have narrated here.

(Interruptions)

श्री राजनारायण: लेटर लिखा या नहीं और लेटर लिखा तो किस तारीख को लिखा?

THE DEPUTY CHAIRMAN: There is no time. Please sit down.

श्री राजनारायण: मैडम, हमारा पाइंट आफ आर्डर यह है कि इस समय राम सुभग सिंह जी ने एक आपत्तिजनक बात कह दी। सवाल सीधा है कि मिनिस्टर की ओर से उत्तर डिप्टी मिनिस्टर भी देता है, स्टेट मिनिस्टर भी देता है, लेकिन सारे मिनिस्टर मंत्रि परिषद् में माने जाते हैं, यह दूसरी बात है कि कौन कैबिनेट में है, कौन नहीं। प्रश्न यह है कि...

THE DEPUTY CHAIRMAN: The question is whether he wrote that letter. That question only is to be answered.

(Interruptions)

SHRI BHUPESH GUPTA (West Bengal): Madam, I raise a matter of privilege. We are not asking the hon. Minister to tell us as to what passed on between him and his Deputy; that is an internal matter. The question is whether Mr. Parimal Ghosh committed himself and that too in writing as a Member of the Council of Ministers and also working in his Ministry. If that is so, then of course, he should tell us only that thing. He can say 'no' or 'yes' to this simple question. But if he does not know it, then he can say 'I do not know it'. There are only three possible answers to it. Let him not say 'I have taken the deci-

sion.' Of course he takes decisions. But then the Minister has also acted and given something in writing. That is what has been revealed here. He is not the son of a tea-planter; he is a Member of the Government. We are therefore entitled to know whether there was any such communication from him in writing.

(Interruptions)

SHRI A. P. CHATTERJEE (West Bengal): Madam, I rise on a point of order.

THE DEPUTY CHAIRMAN: Please be brief.

SHRI A. P. CHATTERJEE: Generally I am brief; may not be always. Madam, my point of order is that a specific point has been made on the floor of the House that Mr. Parimal Ghosh, Minister of State for Railways, has given an undertaking in writing. It appears that the Minister for Railways is prevaricating on the issue. Now when the Minister of State himself is here in this House, is it not proper and would it not be in order for the Minister of State to answer this question whether he made any such undertaking in writing or not? I ask for your ruling on this point of order.

SHRI AKBAR ALI KHAN (Andhra Pradesh): Madam, may I just say something? The responsibility generally is of the Cabinet. What passed on between a Union Minister and State Ministers, we cannot question here.

(Interruptions)

श्री राजनारायण: माननीया, इनका यह कहना कि मैं मंत्रिमंडल में इसका इनचार्ज हूं इसका क्या मतलब है। मेरा सीधा प्रश्न है कि परिमल घोष ने पत्र लिखा या नहीं, लिखा तो क्या लिखा और किस तारीख को लिखा।

SHRI CHANDRA SHEKHAR (Uttar Pradesh): Madam, under the Rules of Procedure of this House no communication between a State Government and the Central Government can be asked for. If there is any communication between a State Minister and a Union Minister, the House is not entitled to it.

SHRI A. P. CHATTERJEE : But it is an undertaking given in writing.

SHRI BHUPESH GUPTA : Mr. Chavan has sent a communication to Mr. Namboodiripad, the Chief Minister of Kerala, and he is looking for a reply.

SHRI CHANDRA SHEKHAR : If the Minister wants to give the information, it is altogether a different thing but members cannot ask for it, for the communication.

SHRI BHUPESH GUPTA : Madam, this cannot happen.

श्री राजनारायण : केवल मिनिस्टर यह कह सकता है . . .

(Interruption)

SHRI BHUPESH GUPTA : Mr. Ram Subhag Singh has not even sought your protection. This question arises out of what he has said. We have the information that the commitment was made by his Minister Mr. Parimal Ghosh, as a Member of the Council of Ministers and as working in his Ministry. With regard to that, we are asking him whether such a commitment was made or not. We are not asking for any confidential discussion or internal correspondence.

(Interruptions)

SHRI NIREN GHOSH : We want to know whether the commitment was made by Mr. Parimal Ghosh on behalf of the Government.

SHRI BHUPESH GUPTA : They write cheeky letters to the Kerala Chief Minister asking him to come to Delhi.

(Interruptions)

श्री राजनारायण : : हमको आश्चर्य है कि आप परिमल घोष से क्यों नहीं कहतीं।

THE DEPUTY CHAIRMAN : It is not for the Chair to pick and choose the Ministers. A Minister of Cabinet rank is there and he can reply.

SHRI GODEV MURAHARI : If the Minister of State wishes to reply, are you going to stop him? He is getting up and let him say something.

SHRI KRISHAN KANT (Haryana) : I wish to bring to the notice of the House

that on 14th June when this news appeared from Calcutta that Mr. Parimal Ghosh had certain talks with the West Bengal Government that very day the Minister for Railways, Dr. Ram Subhag Singh, said that the Government of India had taken a decision not to participate in this thing. In the light of that, what talks were held, informal talks, have no validity.

SHRI A. P. CHATTERJEE : Mr. Krishan Kant is completely let down.

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI PARIMAL GHOSH) : It appears that there has been some confusion in the matter particularly because of the fact that about a month back something came out in the papers that there has been some discrepancy.

SHRI A. G. KULKARNI (Maharashtra) : I am complaining that for the last 3 days we have not been hearing the English version. What is this arrangement?

THE DEPUTY CHAIRMAN : I am told that you do not know how to operate it.

SHRI A. G. KULKARNI : I know better than anybody else. I am a technician.

THE DEPUTY CHAIRMAN : The Secretary tells me that in the bulletin issued instructions are given as to how to operate it. New buttons are to be pressed.

SHRI PARIMAL GHOSH : Before the Westinghouse, Saxby and Farmer Limited formally approached the Railway Board for taking over their concern on a nominal sum of Re. 1, the foreign directors of the company and the local Director met me first in Delhi and in that discussion the matter was also raised whether the Railways would be willing to participate in the share capital. In the discussions that I had, I made my observations very clear to the directors of the company and those who met me. Three points were discussed, namely, that the company is running at a loss, the company is running at a loss because of the fact that they are not getting sufficient orders from the Railways, the orders they are given or the prices that are being offered are not sufficiently

[Shri Parimal Gosh]

remunerative for them and that they have some financial difficulties. In the process of that, they requested me also to consider whether the Railways, in the event of the parent company offering the company for Re. 1, will be interested in taking over the company as the company is mainly manufacturing equipment for the Railways. In that discussion I made my observations very clear that if these are the difficulties, only two points the Railways could consider, that if there be inadequacy of order, that the Railways will consider and even if there is some financial difficulty in the initial stages, the Railways might also consider giving them some financial help. I have also gone to the extent of giving an assurance to the Company that in the event they might feel that the orders may not be regular every year, then with regard to the next 5 years' order I am prepared to give them an indication that if their price is competitive and the supply is there according to the specification, they could expect to get so much order in the course of five years. All these points I had discussed with the company, I have also discussed and given a letter to the Deputy Chief Minister of Bengal, Mr. Jyoti Basu clarifying all these points and in that letter also I myself clarified that the participation is not going to solve the problem of the company, that they have surplus labour and they are making some equipment which normally the Railways are not requiring to the extent which they were requiring before and that if the company cannot change over to the other things and if the basic problem is not sorted out, then whether it is the Railways or the State Government or any body else that may take over, the company's position will remain the same. In my discussions with Mr. Basu he appreciated the position but he made one request to me. This is also a fact that I said that some sort of a rationalisation in the company would be essential but one request he made that as the company is manufacturing basic equipments for the Railways and as the Government of Bengal have come to power very recently and have so many other problems, it would be helpful to the Government of Bengal if the Railways, helped and as we have agreed to give them order and as we have also agreed to give them financial help only if we lent our name to the company, in that case, it would

be helpful to the Bengal Government if we participated in that company.

SHRI BHUPESH GUPTA : What does it mean ?

SHRI PARIMAL GHOSH : By way of participation to some extent. When Mr. Basu requested me to do this I said; 'All right, it is not in my power to give you that undertaking but certainly I will discuss that matter with Dr. Ram Subhag Singh'. The same night I discussed the matter with Dr. Ram Subhag Singh particularly on the basis of participation because other points we had discussed enough and there was nothing left to discuss and in that discussion I got the impression from Dr. Ram Subhag Singh that probably he will be not averse to participation. The only point I have discussed and told Mr. Basu after that was that the Railways might agree to participation but the details of the participation are to be sorted out either at Calcutta or at Delhi. That is the actual position. After that Dr. Ram Subhag Singh was not in Delhi. I got a letter, telex message, from the Bengal Government that the parent company is insisting that unless decisions are taken quickly, they are not prepared to wait further and they will have no other alternative but to ask for liquidation. In my discussions of that matter, in the absence of Dr. Singh, with the Members of the Railway Board, they have reiterated their view that in the interests of the Railways it is not desirable that the Railways should participate in it but even then I intimated in my reply to the telex message that as I have already given an indication on the basis of my talks with Dr. Ram Subhag Singh, so they can proceed with that but what would be the percentage, all these details can be discussed either by my going to Calcutta or their coming to Delhi. Then on the basis of that I had been to Calcutta and I discussed that matter and in my discussions—the proceedings of the discussion were maintained, I have signed that and given to the Government of Bengal—I have taken particular precautions as to what are the views expressed by the Railway Board, the difficulties they have. They were precautions on the basis of the indication that I got from the Railways for not agreeing to participation. They raised three points, that unless and until there can be rationalisation in labour, there is no point whether the Railways took it over or the Government

took it over for running it. I have made that very clear that in that eventuality if the Railway is to participate, one point we must agree is that we should appoint one man, a technical man, from the Railways that they should appoint one man from the Government of Bengal, that they should go into the working of the company and find out what are the reasons for the company not making profit when it was making it for the last 60 years that it had been working. If it is a fact that some rationalisation, even to the extent of retrenchment is necessary, if that is not agreed upon, it is no use the Railways participating in that, nor would it be useful for the Government of Bengal to take it over. In that discussion the Labour Minister, Government of West Bengal, and the Deputy Chief Minister, they were all present along with the Commerce Minister, West Bengal. And in that they agreed that on that rationalisation basis the Government of West Bengal will agree. On that basis I have given an undertaking giving the other points, which I mentioned, there. It is not a form of agreement, but certainly I must agree that it is a commitment on my part on the basis of the understanding. Now the whole point here boils down to this. The point here—as it has been raised by the hon. Member, Mr. Niren Ghosh—is whether a commitment has been made by me and it is refuted by Dr. Ram Subhag Singh. I do not agree that the commitment has been refuted; the commitment in the form as definitely made by me was not refuted by Dr. Ram Subhag Singh. In a way it is a question of understanding. From what I could get from his talk in the discussion I had thought that probably he will agree. And in his way he probably thought that he could agree to giving further assistance but not to the extent of participation. Now that is a misunderstanding, on the basis of which all the controversy has come and a problem has come.

**SHRI K. P. SUBRAMANIA MENON** (Kerala) : Madam, this Westinghouse, Saxby and Farmer is a firm which manufactures signal equipment, for which the only customer in India is the Railways. Now, the firm is in trouble for the last one or two years and the firm was proposing to close down. Now, in a situation in which nearly two thousand workers were losing jobs, the West Bengal Government proposed to the Government of India that they should take it

over. And the company had offered to give the firm on a token payment of just one rupee. May I know from the Government of India, what is it that prevents the Government of India from taking over the firm, especially in view of the very cheap rate at which they had offered it and, secondly, in view of the fact that, if this firm is closed down, the Railways would have to spend four to five crores of rupees every year on import of signal equipment and other specialised items for the Railways ?

**DR. RAM SUBHAG SINGH** : Madam, it is not a fact that the company was being starved of orders, because they were having pending orders of Rs. 2.5 crores. And now, the Government of West Bengal have already decided to participate in the management of that company taking 51 per cent. of the shares. So that matter has already been settled, and there is no question of the Railways taking it over or any such thing.

**SHRI MONORANJAN ROY** (West Bengal) : Madam, what prevented the Minister of Railways and the Minister of State in the Ministry of Railways from accepting the offer of participation that was made by the Government of West Bengal. Their only argument is that it is running at a loss and that Mr. Parimal Ghosh has said that the conditions precedent must be rationalisation and retrenchment. I do not know whether it is true that the conditions of rationalisation and retrenchment were accepted and that then Mr. Parimal Ghosh agreed to participate in the company by taking shares—that was something like 34 per cent. And then Dr. Ram Subhag Singh, he denounced it openly in the papers again and again, knowing fully well that his own Minister of State has given in writing that the Government or the Railways is going to participate in the company. It is something like this that Dr. Ram Subhag Singh has given a slap on the face of Mr. Parimal Ghosh . . .

**THE DEPUTY CHAIRMAN** : You please put your question. We do not want a speech.

**SHRI MONORANJAN ROY** : Yes, Madam Deputy Chairman, my question is there. Mr. Parimal Ghosh has not been insulted but he has been given a

[Shri Monoranjan Roy]

slap on the face by Dr. Ram Subhag Singh. Here is my next question. Is there any other company which is making the same instruments and equipments that were being made by Saxby and Farmer, or actually they will have to import them spending foreign exchange on them? This question was not replied to very categorically.

**THE DEPUTY CHAIRMAN :** Now we cannot go on for five minutes and ten minutes making speeches. You just put your questions 1,2,3, like that, not make a speech.

**SHRI MONORANJAN ROY :** I have put a question already and said that it was a slap on the face and not an insult.

**THE DEPUTY CHAIRMAN :** These are not questions.

**SHRI MONORANJAN ROY :** Was it a fact—as Mr. Parimal Ghosh says—that the conditions precedent for participating in the management of the company by taking shares in it were put forward by him and accepted by the Government of West Bengal? Is it a fact that the Deputy Chief Minister and the Labour Minister, West Bengal, accepted them, and Mr. Ghosh has given in writing that he has agreed to participate, and then Dr. Ram Subhag Singh has denied to participate and has let him down? Is it all a fact? Another question; is there any other firm in India which makes the equipments as made by Saxby and Farmer and, if so, where, and what are the prices? Are the prices competitive, or has Saxby and Farmer been charging more price?

**THE DEPUTY CHAIRMAN :** That will do.

**DR. RAM SUBHAG SINGH :** Even now, Madam, we import some of the equipment that we are in need of, and there are certain concerns, about more than a quarter dozen, which do manufacture some of the equipments manufactured by this concern, and we have also got our own works at Podanur and also at Hyderabad which are trying to manufacture some such equipments.

**SHRI LOKANATH MISRA (Orissa):** Madam, I would like to know this and

I would put three specific questions. What are the annual requirements of the Railways of the equipments manufactured by this Saxby and Farmer; number two, out of that, to what extent were they imported during the last year and the year before last, and of the total requirements how much do they expect to import this year and to what extent was this company supplying these equipments to the Railways? Number three; he said something about the advances, about lump sum advances made, for adjustment subsequently when the supplies are made. May I know from the hon. Minister if he has made any such advance to any other company, whether in the private sector or in the public sector, any lump sum, to be adjusted after the supplies are made?

**DR. RAM SUBHAG SINGH :** As regards the exact figures of the quantum of materials that we require and that we get each year, I require notice. And as regards the latter part of the question, I agreed to advance this amount because some supplies were made by the company already; it was against these supplies. Our orders are already lying with that concern and we are likely to place some further orders, and therefore this can be easily adjusted.

**THE DEPUTY CHAIRMAN :** Mr. Krishan Kant.

**SHRI ARJUN ARORA (Uttar Pradesh) :** Madam, I have been rising.

**श्री सुन्दर सिंह भंडारी (राजस्थान) :** माननीय श्री लोकनाथ मिश्र ने जो सवाल पूछा है वह और है।

**THE DEPUTY CHAIRMAN :** What do you want to say, Mr. Bhandari?

**श्री सुन्दर सिंह भंडारी :** मैडेम, मेरा यह कहना है कि मिश्र जी का यह स्पष्ट सवाल था कि यह जो रुपया गया है इसका माल रेलवे के पास आ चुका है, उसका बकाया था, या अभी यह माल आना है जिसके लिये यह रुपया दिया गया। इसका स्पष्टीकरण किया जाय।



**डा० राम सुभग सिंह :** पहले जो मैंने वायदा किया, इसको देने के लिये आश्वासन दिया, वह तो यह था : The advance will be treated as having been made to the West Bengal State Government, and not to Messrs. Westinghouse Saxby and Farmer Limited.

**THE DEPUTY CHAIRMAN :** Mr. Krishan Kant.

**SHRI LOKANATH MISRA :** Madam, I have a submission to make.

*(Interruptions)*

**SHRI ARJUN ARORA :** What is this ? He has already asked a question once.

**SHRI LOKANATH MISRA :** I am not asking for any clarification. I want to make a submission.

*(Interruptions)*

**THE DEPUTY CHAIRMAN :** I do not want Members to get up again and again saying this is not answered, that is not answered.

**SHRI LOKANATH MISRA :** I am not asking for that. My point is this. You blame the Opposition for wasting the time of the House by repeatedly asking questions. I want to make it categorically clear that it is not the Opposition that is to be blamed. It is not that we go on making interventions as a result of which the time of the House is wasted.

**SHRI A. P. CHATTERJEE :** It is a reflection on the Chair. I take strong exception to that. I ask you, Madam, to pull him to order.

**SHRI LOKANATH MISRA :** The point is this. The Minister must be categorical in his replies. You may have noticed, Madam, that it is not being done. Today you yourself were not satisfied with the Minister's replies and that is why the Opposition had to intervene innumerable times to get out of the Minister specific points. Even after the Chair gave direction to the Treasury Benches we did not get whatever we wanted.

**THE DEPUTY CHAIRMAN :** That will do now.

**SHRI LOKANATH MISRA :** Therefore there must be a direction from the Chair that the replies from the Treasury Benches should be specific and if that is done I should like to assure you that there will be no need for us to intervene again and again.

**THE DEPUTY CHAIRMAN :** I have given directives to the Ministers that specific questions must be given specific answers. I cannot go on repeating. *(Interruptions)* Both this side and the Treasury Benches must be careful.

**SHRI KRISHAN KANT :** May I know from the hon. Minister whether it is a fact that the Chief Minister of West Bengal met him on the 15th May and an agreement was reached and they were satisfied with the agreement and may I know whether this idea of participation was a later thought because one of the Ministers in the West Bengal Government is the President of the Labour Union there and as it involved retrenchment of labour, improvement of quality and all that, the West Bengal Government did not want to take the responsibility for retrenchment and that is why this came out as an after thought ? Was it not a fact ? And secondly . . .

**THE DEPUTY CHAIRMAN :** That will do.

**SHRI KRISHAN KANT :** Secondly, is it not a fact that the hon. Minister, Dr. Ram Subhag Singh issued a statement on the 14th itself when he got the news of the talks that the Central Government was not in favour of participation and after all that the West Bengal Government have had no complaint against the Railway Ministry and that this question has been raised for nothing ?

**DR. RAM SUBHAG SINGH :** The hon. questioner has rightly described that this question has been raised for nothing.

**SHRI ARJUN ARORA :** May I know whether only the assets of Westinghouse Saxby and Farmer have been offered by the company to the West Bengal Government and the Railway Ministry or also the liabilities and secondly what are the liabilities because my information is that the liabilities are of the order of Rs. 97 lakhs and thirdly . . .

SHRI AKBAR ALI KHAN : What are the assets ?

SHRI ARJUN ARORA : The assets are only some worn-out machinery.

Thirdly, I want to know whether this firm is the only manufacturer of signal equipment required by the Railways and if it is not, whether there are other manufacturers and, if so, who are they ?

DR. RAM SUBHAG SINGH : Regarding the latter part of the question electrical signalling equipment, I have already about replied that there are more than quarter dozen firms who can do that. Even our workshops at two places, one in Tamil Nadu and the other in Hyderabad, are doing some work in this regard. As regards the liabilities of the firm, the net liability of the firm according to our information is assessed to be Rs. 87 lakhs which the Government would have been required to take had we gone into participation with it.

SHRI BHUPESH GUPTA : May I ask a clarification ? Let us take the original purpose of the calling attention, namely, equity participation by the Railways in that concern. From what Mr. Parimal Ghosh has said—I am very grateful to him—it is quite clear that whatever he said, whatever he told them, could only be considered here as well as there as a kind of an assurance that the Government would participate in equity capital. Mr. Parimal Ghosh himself seems to have been convinced of the need for it but I believe he was waiting for the Minister to sanction. We do not know on what grounds the suggestions and proposals given by Mr. Parimal Ghosh after a careful study of the whole matter were overruled by the hon. Minister. It still remains to be explained. Mr. Parimal Ghosh was quite clearly discussing with them with the authority of the Ministry. He always said, I give this, I give that and he was even discussing terms. So it is quite clear. I should also like to know from the hon. Minister another thing. I am not going into other aspects but what Dr. Ram Subhag Singh himself has said on the floor of the House makes a good case for equity participation. He has said that it is doing a useful job. He has said that Government orders will be given. He even thinks that Rs. 20 lakhs could be put in, could be advanced to the West Bengal Government.

Certainly it must be for a useful purpose otherwise he would not have given the money. All these things he has said. In view of this . . .

THE DEPUTY CHAIRMAN : You cannot go on.

SHRI BHUPESH GUPTA : I am finishing. In view of all this may I know why the Government should not reconsider this matter again for equity participation when already an involvement of the Government directly or indirectly has taken place ? In view of the assurance given by the Minister this is a fit case for the Government to reconsider and there should not be any difficulty in equity participation. In this connection I would also suggest that they can ask the Planning Commission if they have any doubts with regard to the economics of it and find out.

AN HON. MEMBER : Why ask the Planning Commission ?

SHRI BHUPESH GUPTA : I said, if they have any doubts. I said Planning Commission because they deal with such things; they are experts. Anyhow my case is on the basis of what Dr. Ram Subhag Singh has himself said this is a fit case for equity participation.

DR. RAM SUBHAG SINGH : Madam, we took the decision not to participate in the management of this concern after having gone into all these matters. Therefore it was a mature decision and we do not want to reconsider it.

श्री राजनारायण : मैं यह जानना चाहता हूँ कि यह 20 लाख रु० सरकार ने पश्चिम बंगाल गवर्नमेंट को क्यों दिया। अभी तक सदन को कुछ ऐसा आभास था कि शायद उन्होंने जो उस कंपनी से माल खरीदा है उसके अगेन्स्ट दिया है या जो आर्डर दिया है उसके अगेन्स्ट दिया है। दूसरे, क्या माननीय मंत्री जी ने आज अखबारों में पश्चिम बंगाल के मुख्य मंत्री और उपमुख्य मंत्री का बयान पढ़ा है कि इन सब सर्कमस्टेंसेज में, यानी वर्तमान परिस्थिति में प्रधान मंत्री श्रीमती इन्दिरा गांधी के हाथ को मजबूत करने के

लिये अब पश्चिम बंगाल की सरकार केन्द्र की सरकार को तंग नहीं करेगी ? तो क्या यह सीधे सीधे रिशवत दी गई ?

**उपसभापति :** आप सवाल पूछिये ।

**श्री राजनारायण :** वही तो पूछ रहा हूँ कि 20 लाख रु० पश्चिम बंगाल की सरकार को इस सरकार ने क्यों दिया । क्या वह रिशवत के तौर पर दिया गया कि पश्चिम बंगाल की सरकार केन्द्र की सरकार को तंग नहीं करेगी ?

**श्री सुन्दर सिंह ढांडारी :** प्राइम मिनिस्टर के कैन्डिडेट को वांट देने के लिये ।

**डा० राम सुभग सिंह :** यह घूस का सवाल है ही नहीं । जिस कारण से 15 लाख रु० पहले देने का वादा किया था, उसके कारणों को मैं पढ़ चुका हूँ । अगर आप कहते हैं तो फिर रिपीट कर देता हूँ ।

"The advance will be treated as having been made to the West Bengal State Government . . ."

**SHRI RAJNARAIN :** Why ?

**DR. RAM SUBHAG SINGH :** . . . "and not to Messrs Westinghouse Saxby and Farmer Ltd."

व्हाई का जवाब यह है कि उसका सामान हम लोगों ने लिया था ।

**श्री राजनारायण :** कंपनी का लिया था न कि बंगाल गवर्नमेंट का ।

**डा० राम सुभग सिंह :** कंपनी की तरफ से वेस्ट बंगाल की सरकार बात कर रही थी ।

**श्री राजनारायण :** माननीया, मेरा एक प्वाइन्ट ऑफ आर्डर है और वह यह है कि क्या पश्चिमी बंगाल की सरकार ब्रोकर है और कंपनी की एजेंट है ?

**डा० राम सुभग सिंह :** एजेंट का सवाल नहीं है ।

**SHRI KRISHAN KANT :** Because West Bengal Government have 51 per cent share.

(Interruptions)

**डा० राम सुभग सिंह :** 15 मई को यह बात हुई थी और उस वक्त वादा किया गया था कि आप यह व्यवस्था करवा दियेगा कि हम लोगों का सामान आये ।

**श्री राजनारायण :** कौनसा सामान ?

**डा० राम सुभग सिंह :** रेल को जो सप्लाई किया जाना है । इस फर्म की तरफ से फर्म के डायरेक्टर भी श्री ज्योति बसु के साथ थे और फिर यह वादा किया गया कि 15 लाख रु० दिया जाय ।

"The advance will be adjustable against bills for contract work executed or stores supplied by the firm."

The whole money is being advanced to the State Government of West Bengal and this is being issued today.

**श्री राजनारायण :** माननीया, मैं आपसे निवेदन करना चाहता हूँ कि आप खुद बतलायें कि आपकी सभल में आया है कि श्री राम सुभग सिंह जी ने इस समय क्या कहा ? मेरा प्रश्न तो यह है कि केन्द्रीय सरकार ने यह रुपया क्यों एडवांस किया ?

**डा० राम सुभग सिंह :** फ्यूचर सप्लाई के लिये क्योंकि हम उनसे सामान लेते हैं ।

**श्री राजनारायण :** पश्चिमी बंगाल की सरकार को यह रुपया क्यों दिया गया जबकि माल कम्पनी सप्लाई करती है ।

(Interruptions)

**SHRI CHITTA BASU (West Bengal) :** On a point of order. I have been trying to catch your eye.

**THE DEPUTY CHAIRMAN :** Everyone is trying to catch my eye.

**SHRI CHITTA BASU :** You have allowed many Members to speak twice. You have allowed many Members to

[Shri Chitta Basu]

rise once, twice, thrice and some Members four times and yet you do not allow me.

**THE DEPUTY CHAIRMAN :** There are many Members who are rising, but not complaining. I cannot go round everybody. We have taken 55 minutes on this. I am not prepared to take the complaint. Mr. Niren Ghosh.

**SHRI NIREN GHOSH :** I put this question; Your decision to overrule your State Minister was a politically-motivated one in order to put the West Bengal Government into difficulty. As far as I know the Prime Minister was favourable to the Centre participating in equity shares. What is the nature of the consultation you had? You said you consulted her. May I know whether she agreed to your suggestion or not?

**THE DEPUTY CHAIRMAN :** That will do.

**DR. RAM SUBHAG SINGH :** I categorically say that this was not a political decision. Regarding the latter part of the question also, the same thing will apply.

**श्री अनन्त प्रसाद शर्मा (बिहार) :** मैं मंत्री जी से यह आश्वासन चाहता हूँ कि वे इस सदन को इस तरह का आश्वासन दें कि जब कभी भी इस तरह का सवाल खास तौर से पश्चिमी बंगाल की तरफ से आये जिसकी वजह से इतना कंप्यूजन हुआ है कि जब किसी कंपनी के परटिसिपेशन या टैक ओवर का सवाल आये तो सारी बातों को मंत्रालय के लेवल पर देखेंगे। इस तरह के मामलों में बीच में जो बातें होती हैं उनकी वजह से गड़बड़ी होती है। तो क्या मंत्री महोदय इस तरह का आश्वासन देंगे कि फाइनल जो बात होगी वह उनके लेवल पर होगी और इस तरह का कोई कंप्यूजन पैदा नहीं होगा?

**डा० राम सुभग सिंह :** सारी बातों का फैसला मंत्रालय लेवल पर होगा।

**SHRI A. D. MANI (Madhya Pradesh) :** May I ask the Minister and the Minister of State, Shri Parimal Ghosh, what is the general procedure followed in regard

to conversations which Ministers have with other Government? When Shri Parimal Ghosh had conversations with the West Bengal Government or Dr. Ram Subhag Singh had conversations, did they record in a precis all these conversations? This was raised in the case of Mr. Bhoothalingam and because Mr. Bhoothalingam did not record a conversation he had at the airport with the Iron and Steel Controller, he was hauled up before the Public Accounts Committee. Am I to understand that on all important matters the Ministers do not maintain a written precis of what they discuss in the case of other Governments? I would like both the Ministers to answer this.

**DR. RAM SUBHAG SINGH :** I have reported the actual procedure.

**SHRI CHITTA BASU :** Madam, it transpires from the statements both of the Minister and the Minister of State that the State Minister agreed to participate in the share capital of the particular company subject to certain conditions to be accepted by the Government of West Bengal. May I know from the hon. Minister now whether those conditions have been accepted by the West Bengal Government and, if so what other considerations weighed with the Government of India in deciding not to take part in that company, when there was a commitment on the part of the hon. Minister? Secondly, may I also know, when there were occasions when the Government had taken part in other private companies, what stands in the way of their participating in the share capital of this company which has been taken to be useful and for which Rs. 20 lakhs are going to be advanced? What are the particular reasons for not participating in the share capital?

**DR. RAM SUBHAG SINGH :** The whole position has been thoroughly explained, Madam. I do not know what else I can do.

**श्री जी० एच० बलीमोहम्मद सोमिन (गुजरात) :** क्या मैं मिनिस्टर साहब से पूछ सकता हूँ कि क्या उन्हें यह गन्ध आ गई कि बंगाल गवर्नमेंट का जलता घर दूष्णार्पण कर दिया है और इसीलिए उन्होंने यह मही कदम उठाया है और मामले में इस तरह से तय कर दिया है?

SHRI B. T. KEMPARAJ (Mysore) : I want to know whether the Minister has ratified the Commitment of the Minister of State to the West Bengal Government.

DR. RAM SUBHAG SINGH : We have fully explained it.

SHRI SITARAM JAIPURIA (Uttar Pradesh) : My question is very innocent and the smallest question that has been asked today. May I know whether this amount of Rs. 20 lakhs or whatever may be that has been advanced to the West Bengal Government is going to stand as a permanent loan to the West Bengal Government against orders or it will be adjusted against the first, or immediate supplies received from this particular company? I would like the hon. Minister to make a very clear statement on this point.

DR. RAM SUBHAG SINGH : This amount is being advanced for the supply of future goods.

THE DEPUTY CHAIRMAN : The House stands adjourned till 2 P. M. when private Members' Resolutions will be taken up.

The House then adjourned for lunch at one of the clock.

The House reassembled after lunch at two of the clock. THE VICE-CHAIRMAN [SHRI M. P. BHARGAVA] in the Chair.

#### PAPERS LAID ON THE TABLE

##### NOTIFICATIONS UNDER THE DOCK WORKERS (REGULATION OF EMPLOYMENT) ACT, 1948

THE DEPUTY MINISTER IN THE MINISTRY OF LABOUR, EMPLOYMENT AND REHABILITATION (SHRI S. C. JAMIR) : Sir, I beg to lay on the Table a copy each of the following Notifications of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment), under sub-section (3) of section 8 of the Dock Workers (Regulation of Employment) Act, 1948 :—

- (i) Notification S.O. No. 1675, dated the 18th April, 1969 (in English), publishing the Dock Workers (Regulation of Employment) Amendment Rules, 1969.

- (ii) Notification S.O. No. 1892, dated the 8th May, 1969 (in Hindi), publishing the Dock Workers (Regulation of Employment) Amendment Rules, 1969.

[Placed in library. See No. LT-1317/69 for (i) and (ii)].

##### NOTIFICATIONS UNDER THE INDUSTRIAL DISPUTES ACT, 1947

SHRI S. C. JAMIR : Sir, I also beg to lay on the Table a copy each of the following Notifications of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment), under sub-section (5) of section 38 of the Industrial Disputes Act, 1947 :—

- (i) Notification G.S.R. No. 1283, dated the 28th May, 1969 (in English), publishing the Industrial Disputes (Central) Amendment Rules, 1969.
- (ii) Notification G.S.R. No. 1284, dated the 28th May, 1969 (in English), publishing the Industrial Disputes (Central) Second Amendment Rules, 1969.
- (iii) Notification G. S. R. No. 1285, dated the 28th May, 1969 (in Hindi), publishing the Industrial Disputes (Central) Amendment Rules, 1969.
- (iv) Notification G.S.R. No. 1286, dated the 28th May, 1969 (in Hindi), publishing the Industrial Disputes (Central) Second Amendment Rules, 1969.

[Placed in Library. See No. LT-1316/69 for (i) to (iv)].

##### REPORT OF THE COORDINATING COMMITTEE FOR INTENSIFYING RESEARCHES FOR FINDING A COLOUR FOR VANASPATI

THE MINISTER OF STATE IN THE MINISTRY OF FOOD, AGRICULTURE, COMMUNITY DEVELOPMENT AND CO-OPERATION (SHRI ANNASAHAB SHINDE) : Sir, I beg to lay on the Table a copy of the Report of the Coordinating Committee for intensifying Researches for finding a colour for Vanaspati. [Placed in Library. See No. LT-1321/69].